

**Wheat Domestic Fundamentals:**

**FCI will offer a total quantity 1046850 tonnes of wheat in different states through e-auction on 21st December at a reserve price of Rs 1790 per quintal.** Of the total quantity in OMSS, highest quantity of 328000 tonnes in Maharashtra followed by 269200 tonnes in Haryana, 114450 tonnes in M.P, 97650 tonnes in Punjab, 60000 tonnes in West Bengal, 50000 tonnes in Odhisa, 21000 tonnes in Tamil Nadu, 20000 tonnes in Rajasthan, 17300 tonnes in Chandigarh, 16000 tonnes in Delhi, 15000 tonnes in Uttar Pradesh, 14000 tonnes in Kerala, 6500 tonnes in Andhra Pradesh, 4250 tonnes in J&K, 3200 tonnes in Uttarakhand, 2500 tonnes in Karnataka, 2000 tonnes in Pondicherry, 2000 tonnes in Bihar, 1500 tonnes in Himachal Pradesh, 1100 tonnes in Gujarat, 1000 tonnes in Jharkhand and 200 tonnes in Goa.

**All India weekly average prices decreased by 0.84 percent to Rs. 1788.92 per quintal during the week ended 15th December 2017.** Wheat average price were ruling at Rs 1804.00 per quintal during 01-08 December 2017. As compared to prices in the week 09-15 December 2016, the prices are weak by 11.58 percent. Prices are expected to remain steady to firm in coming days.

**According to latest update, area sown until 14th December'17 is 245.50 lakh hectares compared to 250.48 lakh hectares in the previous Rabi season.** The normal area is 301.74 lakh hectares. Progressive area was reported lower in Punjab, Haryana, Rajasthan, Maharashtra and Madhya Pradesh compared to last year for same date.

**Wheat WPI has increased from 138 in October to 139.4 in November-2017.** Monthly wheat inflation has increased by 1.01 percent in November -17 compared to October -17. As compared to October-2016 wheat WPI has decreased by 5.75 percent.

**As per market sources, wheat area in Madhya Pradesh is likely to fall this year. Dams in Madhya Pradesh were not filled even after monsoon.** Wheat may be replaced by chana in the state as it requires less water compared to wheat. Most affected areas will be Gwalior, Chambal and Rewa.

**As per trade sources, Import quotes for wheat from various origins to Tuticorin port witnessed weak tone in the week.** As of now Tuticorin port price for APW is being quoted at Rs 2000 per quintal, ASW at Rs 1870 per quintal and Ukrainian wheat at Rs 1720-1730 per quintal. Ample availability in the market is keeping global wheat prices under pressure.

**There is a rumor in the market that government may increase import duty** from 20 percent to 30 or 40 percent in order to put a complete halt on imports and increase off take of domestic wheat.

**As per latest update, the second Indian ship carrying 110000 tonnes of wheat in 655 containers has arrived chabahar port.** The first ship has already carried 15000 tonnes to the same port. These shipments will demonstrate the viability of the route and the port is likely to become fully operational by the end of next year.

**According to latest update, area sown until 08th December'17 is 190.87 lakh hectares compared to 203.56 lakh hectares in the previous Rabi season.** The normal area is 304.43 lakh hectares. Progressive area was reported lower in Punjab, Haryana, Rajasthan, Maharashtra and Madhya Pradesh compared to last year for same date.

**As per fourth advance estimate for 2016-17 wheat production is likely to be around 98.8 MMT which is higher compared to third advance estimate of 97.4 MMT.** The total food grain production has been pegged at 275.68 MMT compared to 251.57 MMT in final estimate of 2015-16.

**International Market Update:**

**GASC has purchased 295000 tonnes of Russian wheat through tender.** Daewoo offered 60000 tonnes of Russian wheat at FoB \$192.45 per tonne, GTCS offered 60000 tonnes of Russian wheat at FoB \$192.50 per tonne, Union offered 60000 tonnes of Russian wheat at FoB \$193.49 per tonne, GTCS offered 60000 tonnes of Russian wheat at FoB \$193.50 per tonne and Cerealscom offered 60000 tonnes of Romanian wheat at FoB \$194.43 per tonne.

**Russian milling wheat prices weakened by \$0-1 per tonne for deep-water ports like Novorossiysk and Odessa compared to last week.** Russia produced record crop of around 88 MMT of wheat this year compared to 72 MMT last year. As of now Russian milling wheat with 12.5% protein content at Novorossiysk port, Odessa port and Azov port are being quoted at FoB \$190-193/tonne, FoB \$188-191/tonne and FoB \$153-156/tonne respectively.

**As per latest update, Japan's ministry of agriculture bought 147696 MMT of food quality wheat from United States, Canada and Australia.** Around 64736 MMT has been bought from United States, 27330 MMT of standard white wheat has been bought from west Australia and 25000 MMT with minimum protein content of 13.5 percent has been bought from Canada. All the shipments are to be loaded between January 16 and February 15.

**Outlook:** Cash market is expected to trade steady to firm in the near term.

Wheat Futures Contract: NCDEX Price							Date:19.12.2017 at 5:00 PM		
Contract Month	Ch. from previous day	Open	High	Low	Close	Volume	Ch. From previous day	OI	Ch. From previous day
17-Dec	9	1646	1655	1655	1655	100	-640	1680	0
18-Jan	-2	1692	1693	1679	1684	630	-840	8400	-250
18-Feb	-10	1713	1714	1710	1713	110	-120	310	80

Spread	Dec-17	Jan-18	Feb-18	
Spot Narela				
17-Dec	-55			
18-Jan		29		
18-Feb			29	

Stocks	Demat	In- Process	Total	FED
	18.Dec.17	18.Dec.17	18.Dec.17	18.Dec.17
Delhi	-	-	-	-
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	5953	0	5953	5953
Rajkot	-	-	-	-

## Wheat Daily Prices and Arrivals on 19.12.2017

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			19-Dec-17	18-Dec-17	
Delhi	Lawrence Road	Mill Delivery	1790	1800	-10
	Narella	Mill Quality Loose	1710	1710	Unch
	Nazafgarh	Mill Quality Loose	1680	1700	-20
Gujarat	Rajkot	Mill Delivery	1650	1650	Unch
	Ahmedabad	Mill Delivery	1760	1765	-5
	Surat	Mill Delivery	1810	1810	Unch
	Dhrol	Mill Quality Loose	1800	1810	-10
M.P.	Indore	Mill Delivery	1650	Closed	-
	Bhopal	Mill Quality Loose	1625	Closed	-
Rajasthan	Kota	Mill Quality Loose	1560	Closed	-
		Mill Delivery	1650	Closed	-
U.P.	Kanpur	Mill Delivery	1725	1635	90
	Mathura	Mill Quality Loose	1610	1620	-10
	Kosi	Mill Quality Loose	1645	1650	-5
	Hathras	Mill Quality Loose	1670	1670	Unch
	Aligarh	Mill Quality Loose	1610	1610	Unch
Punjab	Khanna	Mill Quality Loose	1740	1740	Unch
	Ludhiana (Jagraon)	Mill Delivery	NA	NA	-
Haryana	Sirsa	Mill Delivery loose	1715	1715	Unch
	Hodal	Mill Delivery	1795	1795	Unch

	Bhiwani	Mill Quality Loose	1750	1730	20
	Karnal	Mill Delivery	1710	1710	Unch
	Panipat	Mill Quality Loose	1625	1625	Unch
Tamil Nadu	Chennai	Mill Quality	2050	Closed	-
	Madurai	Mill Quality	2107	Closed	-
	Coimbatore	Mill Quality	2107	Closed	-
Bihar	Khagariya	Mill Delivery	1750	1750	Unch
	Muzaffarpur	Mill Delivery	1610	1610	Unch
FOR	Kandla (Rajasthan-Rajkot)	Mill Quality	NR	NR	-
	Gandhidham (Rajasthan-Rajkot)	Mill Quality	NR	NR	-

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			19-Dec-17	18-Dec-17	
Gujarat	Rajkot	Lokwan	1800	1850	-50
M.P.	Indore	Lokwan	2100	Closed	-
	Bhopal	Lokwan	1725	Closed	-
	Bina	Sarbati 306	2400	Closed	-
Rajasthan	Kota	LokwanBilty	1750	Closed	-
	Baran	Lokwan	1650	1640	10

## Wheat Arrivals in Key Centers:

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			19-Dec-17	18-Dec-17	
Delhi	Lawrence Road	Mill Delivery	6000	10000	-4000
	Narella	Mill Quality Loose	300	400	-100
	Nazafgarh	Mill Quality Loose	50	100	-50
Gujarat	Rajkot	Mill Quality Loose	700	700	Unch
	Dhrol	Mill Quality Loose	13	33	-20
M.P.	Indore	Mill Quality Loose	3000	Closed	-
Rajasthan	Kota	Mill Quality	3500	Closed	-
U.P.	Kanpur	Mill Quality Loose	800	500	300
	Mathura	Mill Quality Loose	1200	250	950
	Kosi	Mill Quality Loose	300	250	50
	Hathras	Mill Quality Loose	NA	12	-
	Aligarh	Mill Quality Loose	250	250	Unch
Punjab	Khanna	Mill Quality Loose	500	300	200
	(Ludhiana)Jagraon	Mill Quality Loose	NA	NA	-
Haryana	Sirsa	Mill Quality Loose	200	200	Unch
	Hodal	Mill Quality Loose	50	50	Unch
	Bhiwani	Mill Quality Loose	200	200	Unch

	Karnal	Mill Delivery	NA	NA	-
	Panipat	Mill Quality Loose	NA	NA	-

Wheat Products Delhi	19-Dec-17	18-Dec-17	Change
Atta (50kg) Ordinary	1015	1015	Unch
Maida Grade 1 (50KG)	1135	1135	Unch
Suji (50kg)	1190	1190	Unch
Chokar (50 kg)	744	744	Unch
Chokar (34 kg)	516	516	Unch
Chakki Atta (50kg)	1025	1025	Unch
Chakki Atta (50kg) Special	1025	1025	Unch
Chakki Atta (90kg) Superfine	NA	NA	-
Chakki Atta (50kg) Superfine	1100	1100	Unch

Wheat (CBOT) Future Price:18.12.2017					
Contract Month	Open	High	Low	Close	Change
18-Mar	420.25	423.50	419.50	420.50	2.25
18-May	432.75	435.25	432.00	433.50	2.75
18-Jul	446.00	448.50	445.50	446.75	2.75
18-Sep	459.25	461.75	459.25	460.25	2.75
18-Dec	478.25	479.25	477.00	477.50	2.25
19-Mar	493.00	493.00	491.25	491.25	2.00

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